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Excerpts from the roundtable discussion at the Himalmedia-Laxmi Bank-USAID discussion on the topic of "Economic indicators, the business cycle and the improved economic governance in Nepal" held on 6 April.

SUMAN JOSHI,  
Laxmi Bank

Nepal's banking sector is crippled by a lack of reliable data and indicators. This makes analysis and discussions shallow, they lack substance and depth. If figures are flawed, solutions based on those figures can also be flawed. Banking is about risk-taking but lack of reliable data can magnify that risk.

RAVI MAINALI:  
Laxmi Bank

Truly reliable figures are hard to come by. Is there a liquidity crunch or not? What exactly is the inflation rate? What is the impact of the global recession? Data needs to be credible, timely and available.

ANIL SHAH:  
Nabil Bank

The problem is even deeper than the unreliability of official data. Even the figures given by the private sector are suspicious. The first step in figuring out which way the economy is going is to base analysis and projections on reliable indicators. The reason the banking sector looks good is because it is the only section of the economy which works with good and reliable data.

SHIVANT PANDE:

Nepal Investment Bank

There are some real gaps in the figures: what are the real deposit rates? Do we include deposits of cooperatives across the country in this? How much money do they have? We need to build the capacity for proper monitoring and data collection. The Rastra Bank needs to bolster its capacity. We may never have suffered a recession, but it may be coming.

The reason statistics aren't taken seriously is because there is virtually no interest about economic matters in the media. There is neither quantitative nor qualitative analysis.

ASHOKE SJB RANA:

Himalayan Bank

There is a serious lack of business journalism in this country, there is virtually no investigation or follow up on issues that can have a major repercussion on the economy. Take the fact that there has been no fertilizer imported into this country (except through informal channels)-what kind of impact is this going to have on food production? The reason no one pays attention to economic indicators today is because they're just not credible.

MADAN LAMSAL:

New Business Age magazine

Gathering economic indicators through surveys is also governed by the rules of demand and supply. There is no demand for proper figures, so there is no supply. Someone has to be willing to pay for credible data. We just don't have a culture of sharing information. Financial disclosure policy is compulsory for private limited companies but not for others. People want to control financial information.

RAJENDRA KABRA:

Saurabh Enterprises

The Finance Minister seems to think that tax collection is the only indicator of the economy. You need to look at economic policies: are they conducive to sustained growth and job creation? The fact is there is growth in only a few sectors that are catalysed by the remittance economy: banking and construction, but this is not going to lead us to sustained growth. Eighty per cent of the economy is the agricultural sector, it is not doing well. This is going to lead to social discontent. Sitting on revenue and not investing it is going to have very serious consequences. Development is just not taking place.

SACHIN JOSHI:

### NIC Bank

We are preaching to the choir here talking about the need for reliable indicators. It is very difficult to actually collect timely and credible data. We just look out of the window and do some arm chair analysis. We have this tendency to leave things to Pahasupatinath. It's also important what you do with those numbers. Look at the US, despite the best information, the financial sector there is going through a meltdown. So, having the data is only the first step toward understanding the problems. Using the data to make decisions will be the second step.